

**Proposed Substitute  
Bill No. 265**

LCO No. 2921

**AN ACT PROTECTING THE INTERESTS OF CONSUMERS DOING  
BUSINESS WITH FINANCIAL PLANNERS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1       Section 1. (NEW) (*Effective from passage*) (a) For purposes of this  
2       section and section 2 of this act, (1) "fiduciary duty" means a duty to  
3       act with prudence in the best interests of a consumer with undivided  
4       loyalty to such consumer, and (2) "financial planner" means a person  
5       offering individualized financial planning or investment advice to a  
6       consumer for compensation whose advice to the consumer is not  
7       otherwise regulated under the Employee Retirement Income Security  
8       Act, the Investment Advisers Act of 1940 or the Securities Exchange  
9       Act of 1934, as said acts are amended from time to time.

10       (b) No financial planner shall, in connection with an agreement with  
11       a consumer to provide financial planning or investment advice for  
12       compensation, use a certificate, professional designation or form of  
13       advertising expressing or implying that such person has special  
14       training, education or experience in advising or serving senior citizens,  
15       unless such person has obtained a certificate, title or designation in  
16       accordance with the provisions of section 36b-4 of the general statutes.

17       (c) A financial planner shall disclose to a consumer, upon request,  
18       whether or not such person has a fiduciary duty to such consumer for

19 each recommendation such person makes to such consumer.

20       Sec. 2. (NEW) (*Effective from passage*) The Commissioner of  
21 Consumer Protection, in consultation with the Commissioner of  
22 Banking, shall provide on the Internet web site of the Department of  
23 Consumer Protection, a list of (1) financial planning professionals  
24 doing business in the state who are required to act in a consumer's best  
25 interests pursuant to their certification by the Certified Financial  
26 Planner Board of Standards, and (2) investment advisers who are  
27 required to act in a consumer's best interests pursuant to chapter 672a  
28 of the general statutes. The Commissioner of Consumer Protection  
29 shall also include on the department's Internet web site information  
30 concerning a consumer's right to ask for disclosure from financial  
31 planners or other financial advisors about fees and compensation as  
32 required under applicable state and federal law.

33       Sec. 3. (NEW) (*Effective from passage*) If any provision of sections 1  
34 and 2 of this act is held invalid, such invalidity shall not affect other  
35 provisions of said sections, in accordance with section 1-3 of the  
36 general statutes.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>from passage</i>	New section